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A D D R E S S

T O

JOHN SAWBRIDGE, }  
RICHARD OLIVER, }  
FREDERICK BULL, } ESQUIRES,  
AND  
GEORGE HAYLEY, }

REPRESENTATIVES in PARLIAMENT for the  
CITY of LONDON.

WITH PROPOSALS,

For the better REGULATION of

BANKERS and BROKERS,

And for securing the PROPERTY of the FAIR TRADER from

SWINDLERS and SHARPERS,

By restraining, within proper Bounds,

PUBLIC AUCTIONS.

A L S O,

A S C H E M E

For ESTABLISHING

A LOAN ~~BOOK~~, *Bank*

Similar to the LOMBARD at AMSTERDAM, being the most effectual Means for relieving, aiding, and supporting PUBLIC CREDIT, and for rescuing the Oppressed from the Fangs of the abandoned and unrelenting hard-hearted USURER.

By WALSINGHAM COLLINS, *K*  
OF LONDON, MERCHANT.

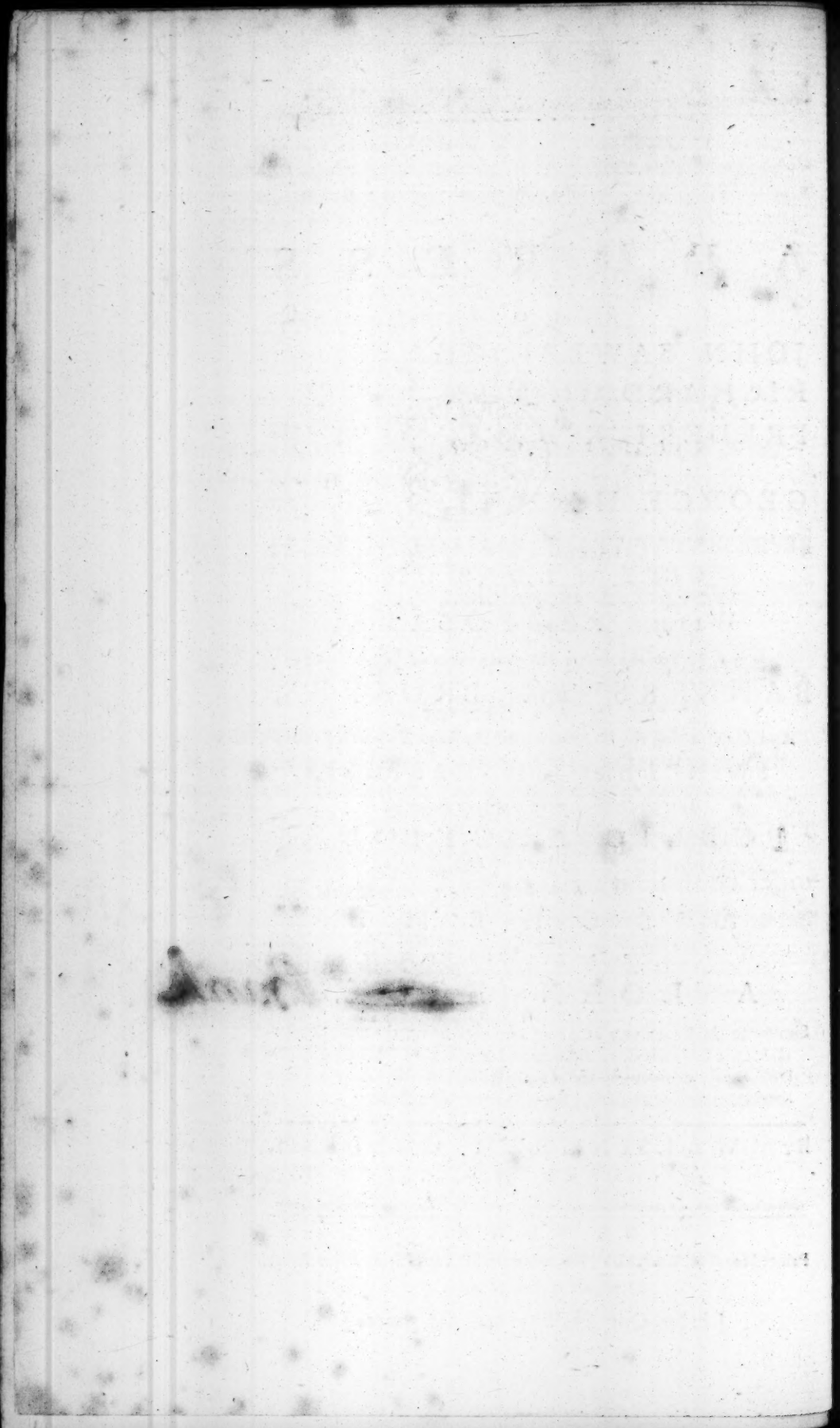
L O N D O N :

Printed for G. KEARSLY, No. 46, near Serjeants Inn, Fleet-street.

M, DCC, LXXVIII.

[Price One Shilling and Six-pence.]

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Representatives in Parliament for the  
CITY of LONDON.

GENTLEMEN,

AS the State of the Nation is now under consideration, a few Observations upon the Commerce of the great City you represent, will not, I hope, be deemed unseasonable, as upon that its prosperity, the welfare, dignity, and splendor of the nation so greatly depend.

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Many

Many are the evils which the vices and corruption of individuals have brought upon the once flourishing trade of this city, and grievous are the effects at this day : but as the period allowed for an investigation of the nature and distress is so short, and your cares and employments so extensive and important, I shall endeavour to comprize the following Address in as small a compass as possible, unwilling to engross too much of that time which you have been always forward to employ in the service of your country, and in the welfare of mankind, trusting to that public spirit and magnanimity, which have so highly distinguished your conduct. I shall make no other apology for addressing you at present, than a sincere intention of promoting the happiness and welfare of the industrious and diligent, and remedying some pressing evils which a knowledge of trade and experience have enabled me to observe.

I shall

I shall first point out the hardships the merchants at present labour under, from the increase and avaricious dealing of bankers; and next, consider the unjustifiable conduct of brokers. I shall also shew how far the latter are injured by the number of aliens, and others, acting as such, without being duly qualified, or admitted, by the Court of Aldermen, pursuant to the laws and charters of the City of London; from whence will evidently appear, the necessity of a new law to regulate Bankers and Brokers. I shall impartially lay before you the conduct of those gentlemen in the year one thousand seven hundred and seventy-two, how much they contributed, or indeed were principally the cause of the calamities in that fatal year, which shook the foundation of credit over all Europe, and reduced many happy and deserving families, from a state of affluence, to the greatest distress.

I shall

I shall afterwards endeavour to shew the expediency of a law for securing the property of the fair trader from the depredations of swindlers and sharpers, by restraining, within proper bounds, those seminaries of fraud, Public Auctions.

And lastly, from the distressed situation of trade, the unhappy disputes with our American Colonies, the prospect of an immediate war with our natural and inveterate enemies, some plan seems immediately requisite to put a stop to the growing evils, and to relieve and support public credit: for this purpose, I shall lay before you the design of a *Loan Bank*, similar to that of Amsterdam; in treating of which, I shall point out the many advantages that will arise to the commerce of this city, to the industrious manufacturer, the ingenious artist, and the public in general, and the surest means of rescuing the oppressed from the cruel artifices and snares of the unrelenting and abandoned hard-hearted *Usurer*.—And first,



BANKERS, from their wealth and opulence, have ever been considered in the most respectable light ; and while they confined themselves to the business of discounting and lending money at legal interest, were of the greatest use to the merchants and traders in general, and contributed much to the support of *Public Credit* : but the conduct of those gentlemen, of late years, has been unjustifiable. Twenty years ago they were so conscious of their consequences, so tenacious of their honor, that it was looked upon as criminal in them to interfere in any manner they thought the least injurious to the merchant : they knew their interest too well, and that the profits of their business in a great measure arose from them ; but the large fortunes those gentlemen made, and the high reputation and esteem they were held in by all ranks of people, encouraged many merchants and traders of every denomination, to take the name of Banker ; not, in fact, for the profits they hoped to derive from that business, but to strengthen their credit, and get the public

public money into their hands, the better to enable them to extend their private business. These new-created Bankers having introduced and adopted a new mode of business, many of the old houses fell into the same line, which they have carried to a length hardly to be credited, and by no means warranted by the prudential rule of merchants: they attempted monopolies in the most useful articles of life; they endeavoured to strike at the very root of our woollen manufactures; they found means to distress our brewery, and thus endeavour to keep from the hard-working labourer and mechanic, the only comfort their wages could afford them to purchase; they now keep in employ riders to travel the country, and solicit customers to open Bill Accounts at one half the commission merchants formerly had; by which means merchants are greatly injured, and deprived of one of the most desirable branches of trade: this leads me to take a more particular view of their conduct in the year one thousand seven hundred and seventy-two.

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The Scotch Bankers having advanced very largely upon West-India estate, (and from other causes, not here material to mention) were entangled in difficulties, out of which they were unable to extricate themselves, or to support their credit under ; the only resource they now had, was to establish a credit in London, and draw bills at a date, which could be easily discounted : they found merchants of credit and consequence would not undertake to accept for them, unless effects or value were put into their hands ; and therefore they were obliged to make their next application to some Bankers who were less scrupulous, and who closed with their proposal, upon being allowed one quarter per cent. commission ; and here a most dangerous paper trade commenced, bills were drawn upon one Banking-house ; to reimburse and secure which, bills were given upon another, and so carried on for a considerable time ; but being at length frequently discounted at the Bank of England, the Directors found an unusual drain of specie, traced the cause,

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and found it was sent to Scotland. Alarmed, and dreading the consequence if it became known to the Public, not only the credit of the Bank, but the safety of the nation being at stake, they came to a resolution not to discount any bills drawn from Scotland, let the acceptors or indorsers be in ever so high credit or repute; and here, for the sake of a commission, the crafty veterans were caught in the toils; they found their brother Bankers acceptances of no use for their present demands; their credit stopped at the Bank of England, which followed by a sudden run upon them from their customers, and being pressed from all quarters, the cloud began to gather, they trembled at their situation, and every moment threatened their destruction; some indeed fell an immediate sacrifice to their avarice; others, through the assistance of friends, with great difficulty, escaped the ruin: but to secure themselves, and get out of the net so judiciously laid, was now the grand question, with the most artful and designing, among such a number, whose



whose lives had been spent in calculation, and usurious traffick. Heads could not be wanting upon so trying an occasion; many schemes were proposed, but the most likely to succeed was, that the Scotch Bankers should grant Annuities at seven and eight years purchase. This being adopted, was trumpeted forth by the Bankers, their friends, and emissaries, in all parts of the kingdom, as the most eligible and advantageous mode of laying out money that ever presented itself to the Public; the credulous swallowed the bait; the subscription soon filled; the bonds, executed by the grantors, were left in the hands of the Bankers, who were their creditors: to these the money was paid; and as soon as they had received sufficient to reimburse themselves, the accounts were closed, the grantors left to shift for means to pay the Annuities, and the purchasers to get their money as well as they could. Thus ended the famous Paper Negotiation, which proved more destructive to the commerce of Europe, (if we consider it combined with the transactions

of some brokers) than any other cause that has happened since the unfortunate scheme of the South-Sea Company ; and from which, with the following Reasons, you will see the extreme necessity of a law for their future regulation.

First, Because Bankers having the Public Mony in their hands, for which they pay no interest, are enabled to create monopolies, which are dangerous to commerce, injurious to the merchant, and often fatal to the manufacturer : they can undersell all others who pay interest for money, and this strikes at the very root of trade, and the existence and advancement of the fair trader.

Secondly, Because all persons concerned in trade, traffick, or commerce of any kind whatever, are liable to disappointments and misfortunes, which no human foresight can guard against. And,

Thirdly, BANKERS being only trustees for their customers, should not upon any account

account risk their money, in an uncertain trade; for though they make large fortunes, and purchase estates from the advantage and profits arising from their customers money; yet their customers receive no advantage or emolument from them; but repose a confidence in them, and expect they should be faithful trustees, which they possibly cannot be, if they prove unsuccessful in any mercantile, or other adventurous business; this has been the case of late years with many who attempted several monopolies, and entered into dangerous schemes, which proved destructive to themselves, and the ruin of others, robbed the orphan and widow, and reduced many to misery and want.

Here, gentlemen, you see the necessity of a law, to prevent in future, Bankers from being any way concerned in commercial business, and to confine them intirely to discount and lending money upon interest: the usurious practice of advancing upon continuation should be particularly

particularly guarded against, for while they can (through artful means) elude the Statute of Usury, and obtain fifteen or twenty *per cent.* by continuation; they will be very sparing of discounting or parting with money at five *per cent.*

So well assured were administration of the ill conduct of bankers in the year one thousand seven hundred and seventy-two, that they brought a bill into parliament, to prevent in future their depredations; and for the better security of the public; and though strongly enforced by just arguments, and supported by a very eminent banker, then a Member of the House of Commons, who was well acquainted with their unjust dealings; yet through the great interest made by the self-interested bankers, the bill was dropped for that session; and, indeed, if we consider the matter properly, it is surprizing that this bill was not brought in and supported by the City Members; for you, gentlemen, who are merchants, resident in the city, and daily spectators of every occurrence

worthy



worthy of notice, should be the most proper judges, of what laws and regulations are wanting to promote, establish, and encourage trade in general ; and from you all laws of this kind should originate ; the rights and interest of the merchant, should be particularly attended to, for as the King is the fountain from whence all honours flow, so the merchant is the fountain from whom all commerce, and thereby riches spring ; for him the ingenious artist exerts his skill, the manufacturer his industry ; the adventurous mariner spreads his sails, and traverses the pathless ocean, gathering the riches of the most distant climes ; and after the utmost peril and dangers, returns with the fruits of his labour, and surrenders up his trust to him, from whom he originally received it ; and the merchant chearfully paying a copious supply towards the support of the State, with a heart replete with joy and liberality, diffuses the remainder over the nation, to his own honor, the pleasure and happiness of his family, as well as the welfare and prosperity of the community  
at

at large : thus from a course of honourable traffick, Tyre, from a barren spot, rose to be one of the greatest cities in the universe ; from commerce also, Carthage was enabled to dispute with Rome, the empire of the world ; but we have no occasion to look back to the ancients to discover the advantages of commerce. Holland from insignificance, has rose by its trade to the wealth and power it now enjoys ; the trade of France, from intestine wars, divisions and massacres, when reduced to the lowest ebb, by the indefatigable perseverance, wholesome laws and regulations, together with the great encouragement given to the merchants, by that able minister COLBERT recovered itself, brought riches to the State, and now rivals us in all parts of the globe ; and is likely, without vigorous efforts on our side, shortly to outdo us. I shall only mention one instance more, which comes within our own knowledge, and that is, the linen trade of our sister kingdom ; we may look at the commencement of its great rise and success to have been with the present Earl  
of

of Hillsborough's coming to the possession of his hereditary honors and estate ; this nobleman, as I am well informed, in his travels on the Continent, carefully viewed and inspected into the different mills, engines and other works, made use of to facilitate and bring that fabrick to perfection ; he spared no expence to procure exact models, introduced them into his country, and following the steps of Colbert, by promoting, encouraging, and obtaining proper laws for its benefit, has now brought it to such perfection as to be equal, if not superior, to any other manufacture of the kind in Europe ; to the great honor of his Lordship, and welfare of the kingdom in general. It is not my intention to attempt any encomiums upon the conduct of this noble Peer ; the grateful thanks and and applause of mankind, must be his highest panegyric : but I would only shew how much commerce is indebted to wise regulations ; how by the prudential maxims of Colbert, the woollen manufacture was established in France ; and by the same means, the linen trade

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was brought to perfection in Ireland ; from whence you will see how necessary it is, not only to watch over, and guard the rights of the commercial part of this country, but give every encouragement, and obtain such laws, as may be conducive to the welfare and interest of the merchant.

The second consideration I proposed to submit to you is, the conduct of some of the brokers, how far they contributed to the subversion of credit, in the year one thousand seven hundred and seventy-two ; and on the other hand, how they are materially injured by aliens and strangers acting as such, without being duly qualified or admitted by the Lord Mayor and Court of Aldermen, in defiance of the laws and charters of the city of London.

Brokers in a great commercial city like this, are useful assistants to the merchants ; from the extensive and different branches of  
of



of trade, it would be impossible to do without them ; and while they keep within their own limits, and act only as brokers, deserve to be encouraged and protected ; but when they act in a double capacity, both as merchant and broker, they are dangerous to commerce, and very injurious to the merchant. From their frequent attendance in the different markets, they can form a better judgment of an expected rise, purchase the goods for their own account, and fix what price they please ; by which the general merchant, who always run the risk, is deprived of the profit and emoluments that he alone should enjoy ; and the manufacturer obliged to pay an exorbitant price, which otherwise he would not be able to do. This practice has been carried to a most shameful length, that in fact, the Merchants are become the servants of the Brokers, instead of the Brokers being their servants. This is not confined to Brokers in the purchase of goods only, but has extended to those employed in taking and passing bills of exchange, the pernicious

consequence of which will appear in one instance (though many more I could mention) of a certain Jew Broker, who in the fatal year one thousand seven hundred and seventy-two, contracted every post morning with merchants who had large sums to draw, for their whole amount, by which he was enabled to fix what price he pleased for the exchange; and such bills as he found not his interest to pass, he kept for his own account, and afterwards brought them to market, when he found it convenient to raise the exchange: by this means he had brokerage from both drawer and remitter, and also a large profit. This was not the only evil that attended this transaction; it prevented the most wary and intelligent remitter from knowing or distinguishing those who drew on a solid foundation, from those who drew on a superficial one, or for accommodation; this being in time discovered, alarmed every merchant of property on 'Change; infused suspicions into every man's breast; put a final stop to all credit, and drew after it such a train of misfor-

misfor-

misfortunes, as the trade of this country hardly ever experienced before. I shall beg leave to remark a just and well-timed reprimand given to this Broker on the morning after the post arrived that brought an account of the several failures in Amsterdam, and other places, by one of the most considerable merchants and remitters on the Royal-Exchange, in the following words :

S I R,

“ You are the principal cause of all the  
 “ distresses brought on public credit ; you  
 “ have been master of the merchants, in-  
 “ stead of their servant ; the bills you  
 “ should have passed on 'Change, you kept  
 “ for your own account, and held them  
 “ over, until you found it your interest  
 “ to bring them again to market, when  
 “ you sold them at an advanced price ;  
 “ you have been the cause of robbing  
 “ the orphan and widow ; you have dis-  
 “ graced the name of English Merchant,  
 “ the name of which was formerly my  
 “ greatest pride ; but am now ashamed  
 “ to

“ to own it. I have stood an idle spectator  
 “ for three years; I have seen the storm  
 “ gathering, but knew not where it  
 “ would break ; I thought it more pru-  
 “ dent to keep my money unemployed  
 “ than risk it, while impending ruin hung  
 “ over PUBLIC CREDIT.”

This repro of was given with an indigna-  
 tion, that expressed his abhorrence of so  
 base a transaction, his concern for the loss  
 of public credit, and the ruin of so many  
 families who became a sacrifice to it.

Having so far laid before you the evil  
 consequences attending brokers being  
 permitted to deal as merchants, I shall  
 on the other hand proceed to shew how  
 essentially they are injured, and the hard-  
 ships they lie under, from aliens and  
 others not qualified that act as brokers,  
 which obliges me again to look back, and  
 call to your mind, the year one thousand  
 seved hundred and seventy-two.

From



From the repeated insults and injuries given by these itinerants to the sworn brokers, they considering Mr. Hopkins, then newly elected an Alderman, as a proper person to relieve them, he being a director of the Bank of England, a merchant, and considerable drawer and remitter, and from his constant attendance at 'Change, could not but be acquainted with their grievances, thought him the most proper person to undertake their cause ; accordingly several letters were written, and published in the public papers, which he answered in the most polite terms, assuring them, he would do all in his power to protect the rights and franchises of his fellow-citizens ; and at the same time appointed a meeting at his own house ; in pursuance of this, many gentlemen waited upon him, explained how far they were injured, particularly by the clerks of the Bank of England ; that they were often distressed to get their business done at the Transfer-Offices, the clerks being otherwise employed ; that when they should be at their books to discharge

discharge their duty to the public, they were acting as brokers, in buying and selling stocks in the halls ; that the friends of several of the sworn-brokers were obliged to employ them, because they could get their business done more expeditiously ; by all which means the regular brokers were greatly prejudiced. Mr. Hopkins assured them he would do all in his power for their relief ; advised a petition to the Court of Aldermen, which was accordingly presented, and as I am informed, referred to the Recorder for his opinion, which was, that a new law was absolutely necessary to rectify the abuses. Five years have elapsed, and no further steps have yet been taken.

Here, gentlemen, I must observe, that the only law now in force for regulating brokers, is that of the sixth of Queen Anne, which enacts,

“ That from and after the determination of that session of parliament,  
 “ all persons that shall act as brokers  
 “ within

“ within the city of London, and the  
“ liberties thereof, shall from time to  
“ time be admitted so to do, by the Court  
“ of Mayor and Aldermen of the said  
“ city, for the time being, under such  
“ restrictions and limitations for their  
“ honest and good behaviour, as the court  
“ shall think fit and reasonable,” &c.

And the next clause enacts,

“ That if any person or persons, from  
“ and after the determination of the pre-  
“ sent session of parliament, shall take  
“ upon him to act as broker, or employ  
“ any other under him to act as such  
“ within the said city and liberties, not  
“ being admitted as aforesaid ; every such  
“ person so offending shall forfeit and  
“ pay, for the use of the said Mayor and  
“ commonalty and citizens of London,  
“ five-and-twenty pounds, to be recover-  
“ ed by action of debt, in the name of  
“ the Chamberlain of the said city, in  
“ any of her Majesty's Courts of Record,  
“ in which no protection, effoin, or wager

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“ of

“ of law shall be allowed, or any more  
“ than one imparlance.”

GENTLEMEN,

This act is by no means sufficient for the regulation of brokers, nor for preventing aliens and other persons not qualified or allowed by the Lord Mayor and Court of Aldermen, from acting as such ; but shall submit to your consideration, an act passed in the eighth and ninth year of the reign of King William the Third, chap. 32. intituled, “ An act to restrain the number, and ill practices of brokers.”

The first clause enacts,

“ That from and after the first day of  
“ May, one thousand six hundred and  
“ ninty-seven, no person or persons shall,  
“ directly, or indirectly, use, or exercise  
“ the office, trade, mystery, occupation,  
“ or employment of a broker, or act, or  
“ deal as such, within the cities of  
“ London or Westminster, borough of  
“ South-



“ Southwark, or within the limits of the  
 “ weekly bills of mortality, in contriving,  
 “ making, or concluding bargains and  
 “ contracts, between merchant and mer-  
 “ chants, or between merchants and  
 “ tradesmen, or others concerning their  
 “ their wares and merchandize, to be  
 “ bought and sold, or contracted for, or  
 “ concerning moneys to be taken up by  
 “ exchange, between merchant and mer-  
 “ chants, and tradesmen, or concerning  
 “ any tallies or orders, bills of credit, or  
 “ tickets payable at the receipt of the  
 “ Exchequer, or at any of the public  
 “ offices, or concerning any the bills or  
 “ notes payable by the Governor and  
 “ Company of the Bank of England, or  
 “ their successors, in, or for, or concern-  
 “ ing any part or share of the capital or  
 “ joint stock belonging, or to belong to  
 “ any company or society, that is, or shall  
 “ be incorporated by act of parlia-  
 “ ment, or letters patent, until such per-  
 “ son or persons shall be first admitted,  
 “ licensed, approved, and allowed of by  
 “ the Lord Mayor and Court of Alder-

“ men of the said city of London, for the  
 “ time being, upon such certificate of  
 “ their ability, honesty, and good fame,  
 “ as hath been usual.”

The fifth enacts,

“ That if any person or persons what-  
 “ soever, shall directly, or indirectly, use,  
 “ or exercise the said office, trade, my-  
 “ stery, occupation, or employment of  
 “ a broker, &c. &c. such person or per-  
 “ sons, for every such offence, shall forfeit  
 “ the sum of five hundred pounds ; and it  
 “ also inflicts a penalty of *fifty pounds*  
 “ upon any person or persons employ-  
 “ ing a broker not qualified as aforesaid ;  
 “ and enacts, that if any person or per-  
 “ sons, from and after the said first day  
 “ of May, one thousand six hundred and  
 “ ninety-seven, not being sworn-brokers,  
 “ according to the true intent and mean-  
 “ ing of this act, shall negotiate and deal  
 “ as a sworn-broker, in the discounting  
 “ of tallies, Exchequer bills, or Bank  
 “ bills, or notes, or in stock-jobbing,  
 “ or selling of Bank-stock, or any other  
 “ interest

“ interest or securities, upon any fund  
 “ or funds granted by parliament, such  
 “ person or persons so offending, shall  
 “ forfeit the sum of five hundred pounds,  
 “ and likewise being legally convicted  
 “ thereof, shall, for such offence, stand in  
 “ the pillory, in some public place with-  
 “ in the said city of London, three several  
 “ days, for the space of one hour in the  
 “ morning of each of the said three  
 “ days.”

The ninth clause enacts,

“ That if any broker, or brokers shall,  
 “ directly or indirectly, deal for him or  
 “ themselves, in the exchange of the re-  
 “ mittance of money, &c. or buy any  
 “ goods, wares, or merchandize to sell  
 “ again for his own profit or advantage,  
 “ or shall make any gain, or profit in  
 “ buying or selling any goods over-and-  
 “ above the brokerage allowed by this  
 “ act, he or they so offending, shall for-  
 “ feit the sum of five hundred pounds,  
 “ and being convicted of such offence,  
 “ shall be for ever incapable to trade, act,  
 “ or

“ or deal as a broker, for any such person  
“ or persons whatsoever.”

The twelfth clause enacts,

“ That one half of the penalties re-  
“ covered, shall be for the use of his Ma-  
“ jesty, and the other moiety for the use  
“ of him or them that sue for the  
“ same,”

“ This act to continue for three years,  
“ and from thence to the next session of  
“ parliament.”

GENTLEMEN,

I have selected such clauses from this  
expired act, as I think most proper for  
your consideration : upon the other clauses  
which I have not taken notice of are  
founded, the rules given to brokers on  
their admission, which is not here ma-  
terial to mention ; and tho' I am no friend  
to penal laws, restrictive to trade in a free  
country ; yet I must beg leave to say,  
experience has taught us, that this act  
was founded in the strictest principles of  
2 justice



justice and equity, and upon the soundest policy, for the benefit of commerce ; it protected the merchant from the frauds, innovations, and underhand dealing of brokers ; it guarded the chartered rights and franchises of the citizens of London ; and had it been in force, would in a great measure have prevented the shock public credit received in one thousand seven hundred and seventy-two, and preserved many families from destruction ; it would also facilitate and dispatch public business, at the Transfer-offices at the Bank of England, as the clerks then would not dare to act as brokers, but attend to the business for which they are amply paid by the public.

In short, I am clearly of opinion, that the revival of this act would be of the greatest benefit to the commercial, and trading part of this city ; and preserve in the hands of the merchant and fair trader, the profits they should enjoy, and give the sworn-brokers an opportunity to get an honest livelihood for themselves and families ;

lies; which they cannot now do, from the number of itinerant Jews and others, who have never had the experience of one week in a compting-house; and many of them glad to transact business at one half, sometimes at one quarter, and often at one eighth of the price, allowed by the City of London to sworn-brokers.

The act of the sixth of Queen Anne, is by no means sufficient for the regulation of brokers. We have seen the misery and distress brought on the nation by offenders, whom neither oaths nor bonds could bind; we should therefore particularly guard against, and prevent in future their putting their iniquitous schemes in execution; we should take care to protect those whose conduct has been fair and just; and above all, preserve the rights and franchises of our fellow-citizens, and endeavour to obtain such laws, as shall seem most adviseable and consistent with the constitution of a free commercial country.

I come

I come now to submit to your consideration, some thoughts for the better protection of the fair trader, from a set of knaves known by the name of Swindlers and Sharpers; the fountain from whence this evil arises, are those seminaries of fraud, *Public Auctions* which are daily carried on, in every part of this great metropolis, and its environs. There is not a shop-keeper, or tradesman in London, unacquainted with the practice of these wretches, in obtaining goods under various, specious, and false pretences, which are immediately sent into one of these Swindling Auctions, and sold for one fourth, or perhaps one third less than their prime cost: by this iniquitous trade, the honest shop-keeper or tradesman is not only robbed of his property, but trade in general greatly hurt, and the unwary often cheated by having a spurious kind of goods imposed upon them. It is not my design by any means to attack Auctions and Auctioneers in general; there are many cases in which they are absolutely necessary, and many Auctioneers

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tioners men of irreproachable characters and varacity. I only wish to level at the Swindling Auctions ; and if these could be removed or suppressed, it would be of the greatest service to the others ; for the public would then have confidence, bid freely, and not be afraid of being imposed upon. I admit it is very hard to frame a law to reconcile this with the rules of a free commercial country ; however I submit the following to your consideration.

That an inventory of all goods, to be sold by public auction in the City of London, or within            miles thereof, should be registered in the Chamber of London, and an affidavit made by the person or persons by whose order or for whom they were to be sold, that they are his or their goods, or for what other causes they are to be sold ; and the Broker appointed to sell them, to make oath and give security, not to admit or sell any goods at the intended sale, but those mentioned in the inventory, and a licence to be granted for  
that



that purpose ; a regulation of this kind or something similar, I apprehend, would in a great measure prevent the frauds so universally complained of.

While on the subject of public Auctions, let me trespass a little further on your patience in pointing out one other species of fraud and oppression, whereby it often happens that mothers with babes at their breast, and a helpless offspring in all the affliction of maternal tenderness, are turned almost naked into the streets, without any shelter to protect them, or place to condole and lament their misery ; and this is the unjust practice of Sheriffs Officers and Bailiffs, when they have executions against the goods of an unfortunate debtor, immediately upon getting possession, call in a Broker, with whom they are in league, and have them valued at perhaps not one third of their value. The goods are instantly removed off the premises, and afterwards sold by the Broker, at the best price he can get ; the spoils are divided between these two parties, and

the wretched sufferer left to bewail his hapless fate in misery and despair. This could be easily guarded against by a clause to prevent Sheriffs Officers or Bailiffs from removing goods off the premises for fourteen or twenty-one days, which would give the unhappy person time to apply to his friends for assistance, and which he could more easily obtain if his goods were not removed, wrecked or destroyed; but if the execution was not satisfied in that time, then the goods should be advertised three times in some of the daily papers to be sold by auction. The reason given by the Sheriffs Officers for this unfeeling kind of oppression, is the very reason why it should be prevented; they tell you, if a commission of bankruptcy issues against the debtor, the plaintiff will be deprived of the benefit of his execution; but this I deny, for if the execution is obtained fairly, and previous to the committing an act of bankruptcy, the plaintiff cannot be deprived of the benefit of his execution: but if the execution is fraudulent, it is very just and proper it should be set aside; and

if any dispute should arise, the money ought to be deposited in the proper court until the suit was finally determined,

A **LOAN BANK**, similar to the **Lombard** of Amsterdam, is the last object I proposed for your consideration ; to lend upon plate, jewels, all kinds of merchandize, goods, wares, &c. being the most effectual means to supply the immediate wants of those who are disappointed in remittances, sale of goods or other casualties, to assist the skilful artist, and the industrious manufacturer, and for relieving, aiding and supporting Public Credit, and rescuing the oppressed from the hands of the abandoned, unrelenting, hard-hearted **USURER**.

GENTLEMEN,

This is no new or visionary scheme ; I take it from the wise, prudent and æconomical people, the Dutch, who has derived so much from the **LOAN BANK** of Amsterdam.

King

King William the Third, from presiding over a commercial people, was taught and well understood that trade and commerce was the surest foundation of all states and kingdoms ; and every thing that tended to promote or encourage those was of the utmost consequence ; as soon therefore as he was established on the throne of these realms, considering the great utility the Banks of Holland were to commerce, and the states in general, his first thoughts were to establish a national Bank in this kingdom, which he accomplished, and though not intirely upon the same plan as that of Amsterdam, yet it was modelled more agreeable to the temper and constitution of the people of this country. The great service it has proved to trade and commerce, and also to government upon all occasions, is so well known, that I have no necessity to enlarge upon it here ; however there cannot be a doubt, but when that magnanimous Prince first thought of establishing this Bank, he had in view the great and wealthy Bank of Amsterdam, which leads me to look  
back



back to the origin of this mighty bulwark of the States of Holland; the universal credit of which is so well established over the world, indeed even to a degree that is beyond the conception of mankind, its capital being deemed at least double the whole coined specie of this kingdom. But let us examine from whence the origin of this repository of wealth took its rise, and we shall find it to be from the Lombard or LOAN BANK, established by the overseers of the poor in the year one thousand five hundred and fifty, and which prospered so rapidly, that in less than fifty years it was found expedient to erect another upon a more extensive scale: accordingly, in one thousand six hundred and nine, the Bank of Amsterdam was established by authority of the States General, under the direction of the Burgo-masters of that city; and those wise and prudent people still finding the advantages arising from the LOAN BANK, and that it contributed so much to promote their manufactures, extend their commerce, and support their poor and hospitals, thought it advise-

*Six* adviseable to remove a place of so great trust and inestimable value, out of the hands of inferior officers; and in one thousand ~~four~~ hundred and fourteen, it was united under the direction of the burgo-masters, and has continued so ever since: here, if the Merchant, when disappointed of remittances, the sale of goods, or from any other cause wants money, he is immediately supplied upon part of his stock, at legal interest. If the artist or manufacturer should be distressed or disappointed in the sales of his wares or goods, he is relieved, without loss of time, at a small interest; enabled to go to market, buy more materials to carry on his business, and pay his journeymen, assistants, and others, employed under him: in short, every individual, who has any property whatever to deposit, is immediately relieved; by which means, no tradesman, artist, or manufacturer, can stand idle for want of money to carry on his business; a consideration of the greatest consequence to the Manufactures and Commerce of this country.

Then,

Then, Sirs, if this Loan Bank is of such consequence and benefit to the States and Commerce of Holland, how much more so must it be to this city? when we consider that Amsterdam, even now in its greatest plentitude of wealth, trade, and magnificence, does not contain above one-fifth of the number of inhabitants of this city. To shew the great utility of a Bank of this kind in London, it will be necessary for me to point out some, among many, of the causes, that bring distresses upon the commercial part of this kingdom.

Merchants of a moderate capital, are the most useful set in their line of business, because they cannot attempt to create a monopoly, or hold their goods from market; they are content to sell at a fair price, extend and return their capital as far and as often as possible; yet, let them be ever so prudent, wary, frugal, or cautious, they are liable to disappointments, which, unless timely relieved, often bring after innumerable distresses and difficulties;

ties ; a single day, nay, a single hour, has often proved the ruin of their credit, which is so delicate and invaluable, and if once lost, is irretrievable. The heart of man, when it first meets distress, is glad to catch at every twig to keep his credit from sinking : Hope leads him on, and the first dawn that presents itself is gladly embraced ; most likely he meets some casual acquaintance in the same distressed situation, applies for assistance for a few days ; but no money can be spared ; an exchange of paper, therefore, takes place, and this proceeds from one to another, 'till at last it completes their ruin ; for as sure as one link of the chain breaks, the rest follow. If these unfortunate gentlemen, upon their first disappointments, had the Loan Bank to resort to, and were enabled to borrow, on part of their stock, they would have had no occasion for each other's assistance, but could have carried on their business with ease, and preserved themselves and families from destruction.

Again,



Again, for argument sake, let me ask, If it would not be of the greatest advantage to trade in general? Supposing a Merchant to have a large stock of goods in his warehouse, and more arrived in the river, heavy duties to pay, and at the same time under acceptances for large sums, would it not be of the utmost consequence to him to have a place of certainty to go to, where he was sure of having his wants supplied at a low interest, without expence or loss of time? Many cases of this kind have come within my own knowledge; and though there are many hundred Merchants in this city who seldom knew the want of money themselves, yet there are very few but what have been witnesses to distresses of this kind.

Let us now take a view of these harpies of mankind, the unrelenting, hard-hearted USURERS, who may justly be said to drink the tears of the Widow and Orphan. These leeches that suck the blood and vitals of their fellow creatures, together with a combination of advertising

miscreants for lending money, who, under pretence of relieving the distressed, artfully impose upon their credulity, and finally complete their ruin ; these blood hounds coming under one denomination, I shall class together, and shew how fatal they are to the community at large.

There is hardly a corner in this metropolis, or its environs, that has not these mermidons placed in spacious, well-furnished houses ; 'pompous advertisements set forth in the public papers, that Money is to be Lent upon all Securities, Merchandize, Household Goods, Furniture, Bonds, Bills, Notes, &c. and here a scene of iniquity and fraud commences ; the distressed applies, and if he has goods to deposit, a Broker is sent to view them, an inventory taken, an appointment made to call again, and after several delays, if approved of, one half the sum agreed for is perhaps paid in cash, and the remainder in some other kind of Goods, and often, a great part in Swindling Bills at a discountable

discountable date ; if goods, they cannot be disposed of, unless sent into an Auction, (one of their own is recommended). Here they are sold at one-fourth, or most likely one-third less than they were valued at, which, with commission for selling, warehouse rent, portorage, &c. reduces the sum to one-half the amount which the unfortunate and distressed borrower is glad to take, to save his expiring credit ; if Bonds, Bills, or Notes, let them be ever so good, are brought to these sons of rapine, it is still worse ; they tell you there is a risk, and cannot discount them ; but if a handsome commission and compensation for their trouble is paid, they can sell them at a fair price. Here, if distress is so great that money must be had at any rate, a Bill of Sale is made, and probably one half, and very often the whole, is paid in goods, which of course must be sent into a Sale as before mentioned. The frequent determinations of our Courts of Law, warrants me to aver, that when money is obtained from these Harpies, the Borrower, besides loss of time,

pays

pays at least Thirty per Cent. his credit broken, his business lost, and the only refuge he has at last, is a commission of Bankruptcy, or a loathsome gaol; or else obliged to take sanctuary in another kingdom; whereas, if he had this to have recourse to at first, his wants would have been relieved, his credit and business preserved, and himself and family rescued from ruin.

Another class of people, well worthy your attention, would be relieved; that is, the manufacturer, who is often distressed for money to carry on his business, or even to pay his journeymen on a Saturday night. It is well known there are certain times in the year, that almost every branch of trade is flacker than at others; the reason is obvious; the shopkeepers will not buy, when there is no demand from their customers; of course, the manufactured goods must lie upon the hands of the manufacturer, until trade again revives. This obliges him to discharge his journeymen, not having money to buy materials,



materials, or pay their wages. During this interval, a useful set of people, on which the welfare of the nation greatly depends, are sent loose into the world without money or support, themselves and families starving through the streets, without any kind of subsistence, except what little credit they can procure at the ale-house or chandler's shop ; by which, they get in debt, and die in a gaol : or to avoid that, necessity drives them to another country, where they carry their art with them, and are most chearfully received, to the destruction of our most valuable manufactures. This mischief, so injurious to the nation, would, in a great measure, be prevented, if recourse could be had to a Loan Bank.

Having thus far laid before you some, out of innumerable advantages that would arise from the Institution of this Bank, you will very naturally ask me how it is to be established, and from whence its capital is to arise ?

In answer to this, I have before mentioned that the Lombard or Loan Bank of Amsterdam was first established by the Overseers of the Poor, so long ago as the year one thousand five hundred and fifty; and if we consider its infancy to have been in the reign of Philip the Second, by whom a persecution was carried on against the States; an Inquisition established, and the Provinces drench'd in blood, and that its original stock was only the small pittance, collected for the support of the Poor; it is hardly to be credited, (though it is true) that the profits arising from it, should in less than sixty years have been sufficient to support, not only their poor, but all their hospitals: it is said that no people upon earth love money better than the Hollanders. I admit it; and though great have been the evils attending the love of money, yet we find the conscience of these people would not suffer them for their own emolument, to make use of money collected from the Public, to support their charities; nor would they allow

low any part of it to lie idle in their hands : but like faithful stewards, employed it, not only for the benefit of the Charity ; but also to relieve the wants, and promote the interest and happiness of others. Then shall it be said, that Englishmen are less vigilant in benevolence, or be inferior to people stigmatized with avarice ? I hope not ; of you, I am sure it never can be said ; you are not idle spectators of the distresses the commerce and manufactures of this country lie under at present.

You, Gentlemen, as magistrates of this City, and its approved Representatives in Parliament, I hope will exercise your thoughts on this important subject ; and I would beg you to consider the large revenues paid into the chamber of London ; the great sums that lie idle there and useless ; and if it would not be much better that this surplus money should be employed as part of the capital of this Bank, the hope and resource of the honest and

G                    industrious :

industrious : the profits in ten years time would be immense ; besides all the opulent Livery Companies that have money, would chearfully follow the example ; indeed the excellence of its Institution could not fail to recommend it to all parties, if a charter was obtained, and sanctified by Parliament ; and if a larger sum for its capital was necessary, it would be soon subscribed for, as the Public could not have a better security, and a certainty of receiving five per cent. per annum for their money.

GENTLEMEN,

I have now laid before you my thoughts, in as clear a manner as the different subjects would permit ; the facts I have stated relative to the Bankers and Brokers, are so recent in our memory, as not to admit of the least doubt ; the conduct of the former calls loudly for a law to restrain them from dealing as merchants ; the Bank of England is particularly



larly proscribed from dealing in any kind of goods or merchandize, for the reason I have stated, viz. being possessed of the public money, free of interest, would enable them to create monopolies, undersell the merchant and fair traders, and in time, totally extirpate the name of merchant from this country.

The act of the eighth and ninth of King William the Third, shews the necessity of regulating the Brokers, and preventing them from dealing as merchants. It also shews the necessity of preventing any persons acting as Brokers, not certified as men of ability, honesty and good fame ; and inflicts pains and penalties upon those that dare violate the laws, liberties and franchises of the Citizens of London ; and I am persuaded that for one offender there was when this act passed, there are fifty, if not one hundred now, therefore a revival of it is absolutely necessary.

A regulation for public Auctions, would be of the greatest utility to secure the pro-

perty of the honest and fair trader from the artful snares of Swindlers and Sharpers : And,

Preventing Sheriffs officers and Bailiffs from plundering the unfortunate, would be an act of the highest justice, compassion and humanity.

The manifold advantages that will arise from establishing a LOAN BANK, are too many to enumerate here ; they must arise in the breast of every individual, the least acquainted with trade or commerce, or with the distresses of Public Credit.

And here, gentlemen, a Transfer BULLION OFFICE might properly be added ; the utility of which would be of the greatest advantage to the nation ; as it would keep the Bullion from being sent to Holland, and regulate the course of exchange, and be the arbiter thereof, instead of the Dutch ; and the nation at all times have a fund to serve, upon any emergency, a consideration of the greatest consequence

consequence at this present time ; especially since a constant drain of specie from the kingdom is absolutely necessary to support a war so distant, that there is very little probability of its ever returning again.

GENTLEMEN,

I shall conclude this address, with assuring you, that I have no enmity, nor pique, against either Bankers or Brokers, as I never received an injury from either, except how far their conduct has been prejudicial to trade, and the public in general ; what I have written is from pure motives, and ~~with~~ with intention to support the rights and consequence of the Merchant, to guard and protect the laws, privileges and franchises of my fellow-citizens ; and to draw a fair and just line between the parties, and let each enjoy the profits and emoluments of their separate occupations : and what I have taken in hand, and briefly laid before you, I hope to see fully accomplished, through your means ; being well assured  
of

of your attachment to the trade and commerce, the honor and welfare of the City you so deservedly represent in the Grand Council of the Nation.

I am,

With the greatest respect,

GENTLEMEN,

Your very esteemed,

And obedient humble Servant,

WALS. COLLINS.

Royal-Exchange,  
2d Feb. 1778.



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